Exhibit G

Back

USAC
Universal Service Administrative Company
Helping Keep Americans Connected

Schools and Libraries News Brief

October 1, 2010

TIP OF THE WEEK: If you are filing a program form on paper, please do not staple the pages together. Paper clips, rubber bands, or binder clips work just as well and do not interfere with the scanning process by causing pages to stick together.

Commitments for Funding Years 2010 and 2009

Funding Year 2010. USAC will release FY2010 Wave 20 Funding Commitment Decision Letters (FCDLs) October 6. This wave will include commitments for approved Priority 2 (Internal Connections and Basic Maintenance) requests at 85% and above. As of October 1, FY2010 commitments total just under $1.34 billion.

Funding Year 2009. USAC will release FY2009 Wave 69 FCDLs October 6. This wave will include commitments for approved Priority 2 requests at 77% and above and denials at 76% and below. As of October 1, FY2009 commitments total over $2.77 billion.

On the day the FCDLs are mailed, you can check to see if you have a commitment by using USAC's Automated Search of Commitments tool.

SERVICE PROVIDERS: Special Training Sessions for FY2010

USAC will hold two service provider training sessions this fall. These 1/2-day trainings will provide information to service providers about the Sixth Report and Order (FCC 10-175) released on September 28.

Following are the dates and locations for these training sessions. Note that there is not a conference room rate at the hotel, so attendees can make their own arrangements. The training sessions will start at 1:00 pm and finish by 4:30 pm.

November 4, 2010 – Renaissance Concourse Atlanta Airport Hotel

- Atlanta, Georgia

November 9, 2010 – Albuquerque Marriott

- Albuquerque, New Mexico

Online registration for both training sessions is available on the fall 2010 training sessions page on the USAC website.

FCC Releases Sixth Report and Order

On September 28, the FCC issued the Sixth Report and Order (FCC 10-175). The FY2011 Eligible Services List is contained in the order as Attachment B.

Following are the highlights of the order:

Technology Plans

- New requirements apply for FY2011 and beyond.
- No longer required for Priority One (Telecom and Internet Access).
- Still required for Priority Two services (Internal Connections and Basic Maintenance of Internal Connections).
- Beware of potential bucket switches - P1 on-premise equipment moved to Internal Connections.
- Applicants citing their own Form 470: If P2 services are all included in the current technology plan, and the plan covers at least part of the upcoming funding year, then a new technology plan is not needed prior to posting. If new P2 services requested are not in the technology plan, then the applicant must have a written plan prior to posting.
- Applicants citing a state-filed Form 470: Not needed prior to posting of state-filed Form 470.
- Technology Plan Approval – no change. All applicants requesting Priority 2 services must have an approved plan that covers at least part of the upcoming funding year prior to the start of service or the filing of the Form 486, whichever comes first.
- Four required elements: Applicants no longer have to include a section on budget.

Competitive Bidding Process

- Order codifies that the competitive bidding process must be fair and open.
- All potential bidders must have access to the same information and must be treated in the same manner throughout the procurement process.
- Additions or modifications to the Form 470/RFP must be made available at the same time and in a uniform manner to all potential bidders.

Competitive Bidding Process Rule Violations Include (But Are Not Limited To):

- Applicant has a relationship with the service provider that unfairly influences the outcome of the competition or provides the service provider with "inside" information.
- Someone other than the applicant (or its representative) prepares, signs and submits the Form 470.
- Service provider is listed as the contact on the Form 470 and the provider is allowed to bid.
- Service provider prepares applicant's Form 470 or participates in the bid evaluation or vendor selection process in any way.
- Applicant turns over the competitive bidding process to a service provider.
- Applicant employee with a role in the selection process has an ownership interest in a vendor seeking to provide the services.
- Applicant does not describe the desired products and services with sufficient specificity to enable interested parties to bid.
- This list is not exhaustive – these entries are meant as examples.

Gifts

- Receipt of gifts by applicants from service providers and potential service providers is a competitive bidding violation.
- Must follow the stricter of state/local or FCC rules.
- Exceptions mirror Federal Government regulations. Items worth $20 or less (meals, pencils, pens, hats, t-shirts, etc.) as long as those items do not exceed $50 per year per employee from any one source (service provider) are OK. This means all gifts from all employees, officers, representatives, agents, independent contractors, or directors of the service provider.
- Gift prohibitions are always applicable, not just during the competitive bidding process.
- Prohibition includes soliciting and receiving any gift or other thing of value from a service provider participating in or seeking to participate in the E-rate program.
- Service providers may not offer or provide any gifts to applicant personnel involved in E-rate.

Back

USAC
Universal Service Administrative Company

Helping Keep Americans Connected

Schools and Libraries News Brief

December 3, 2010

TIP OF THE WEEK: Keep in mind the January 28, 2011 invoicing deadline for FY2009 non-recurring services. Applicants and service providers should be working to complete their invoicing activities for those services by that date or – if they know that they will not be able to do so – filing an invoicing deadline extension request.

Commitments for Funding Years 2010 and 2009

Funding Year 2010. USAC released FY2010 Wave 28 Funding Commitment Decision Letters (FCDLs) December 2 and will release Wave 29 FCDLs December 7. These waves include commitments for approved Priority 2 (Internal Connections and Basic Maintenance) requests at 85% and above. As of December 3, FY2010 commitments total just under $1.86 billion.

Funding Year 2009. USAC will release FY2009 Wave 75 FCDLs December 8. This wave will include commitments for approved Priority 2 requests at 77% and above and denials at 76% and below. As of December 3, FY2009 commitments total over $2.78 billion.

On the day the FCDLs are mailed, you can check to see if you have a commitment by using USAC's Automated Search of Commitments tool.

Revised Forms 470 and 471 and Instructions Approved

On November 19, 2010, the FCC released Public Notice DA 10-2218 announcing that revised FCC Forms 470 and 471 and their accompanying instructions have been approved for use by the Office of Management and Budget (OMB).

The forms and instructions will be available for actual submission by E-rate participants after being posted on USAC's website by January 11, 2011, before the opening of the FY2011 application filing window. **Applicants should NOT submit the new forms until they are posted on USAC's website.**

Also, the FCC Form 471 now requires that the Item 21 attachment be submitted with the form.

The forms and instructions as approved by the OMB are available on the FCC website for your review:

- Form 470
- Form 470 Instructions
- Form 471
- Form 471 Instructions

Note that USAC provided additional guidance for FY2011 Form 470 online filers in the November 19, 2010 SL News Brief.

Avoiding Application Pitfalls

In future SL News Briefs, we will be providing detailed guidance to assist applicants through the application process for FY2011. However, in this issue we would like to feature some common pitfalls and how to avoid them for the benefit of those applicants that have already started the process for FY2011.

Form 470 and the competitive bidding process

In Form 470 Block 2, Summary Description of Needs or Services Requested, applicants provide information about the products and services for which potential bidders can submit bids. These descriptions should:

- define the scope of the project and/or the needs or services, including any details necessary in order for potential bidders to prepare responsive bids
- be clear and complete descriptions rather than encyclopedic lists of eligible products and services
- not provide specific makes and model numbers except as references to clarify the characteristics of the products desired.

Here are some examples of acceptable and unacceptable descriptions:

Acceptable	Unacceptable
Local and long distance telephone service for 10 classrooms and an administrative office in a single building.	All eligible Telecommunications Services or a list of all the services in a given category of service. *This is considered an encyclopedic Form 470. FRNs citing an encyclopedic Form 470 will be denied.*
High-speed Internet access for 5 computers per classroom for 7 classrooms (total 35 computers)	Internet access as needed. *This description is only acceptable when applicants can provide specific and timely information to potential bidders regarding the specific services sought. Otherwise, this description is considered generic and funding requests citing it will be denied.*
XYZ manufacturer's high-speed router model 345J or equivalent to provide service for 57 classrooms in five buildings (description of school district available with RFP). *NOTE: Applicants can have a bid evaluation criterion for preferred make and model or for adherence to local IT standards in their bid evaluation matrix.*	XYZ manufacturer's high-speed router model 345J. *This is considered a violation of the fair and open competitive bidding process requirement because the specific products and services are predetermined. This is equivalent to sole-sourcing and funding requests citing it will be denied.*
Basic maintenance services for 5 XYZ manufacturer's high-speed routers model 345J, all two years old, with time, hourly rates, and materials estimates broken out.	Maintenance on internal connections. *This description is only acceptable when applicants can provide specific and timely information to potential bidders regarding the specific services sought. Otherwise, this description is considered generic and funding requests citing it will be denied.*

Back

USAC
Universal Service Administrative Company

Helping Keep Americans Connected

Schools and Libraries News Brief

January 28, 2011

FY2011 WINDOW COUNTDOWN	
Days to window close	55
Forms 470 filed to date	24,422
Forms 471 filed to date	1,859

TIP OF THE WEEK: The first run of FY2010 Form 486 Urgent Reminder Letters was mailed earlier this week (see below). If USAC has issued you a funding commitment and services have started for one or more of your FRNs but you are not sure when your Form 486 is due, you should review the Form 486 Deadlines guidance and the Deadlines Tool on the USAC website.

Commitments for Funding Year 2010

Funding Year 2010. USAC will release FY2010 Wave 36 Funding Commitment Decision Letters (FCDLs) February 1. This wave includes commitments for approved Priority 2 requests (Internal Connections and Basic Maintenance of Internal Connections) at 81% and above and denials at 79% and below. As of January 28, FY2010 commitments total over $2.15 billion.

On the day the FCDLs are mailed, you can check to see if you have a commitment by using USAC's Automated Search of Commitments tool.

First FY2010 Form 486 Urgent Reminder Letters Issued

On January 24, USAC issued just over 2,350 Form 486 Urgent Reminder Letters for FY2010. These letters notify applicants whose Forms 486 may be late and give them an opportunity to file and certify Forms 486 without penalty.

In general, the deadline for certifying a Form 486 is:

- 120 days after the date of the FCDL or
- 120 days after the service start date reported on the Form 486, whichever is later.

USAC calculates the date to issue a Form 486 Urgent Reminder Letter based on:

- the date of the FCDL and
- the service start date reported on the associated Form 471.

- A small entity will probably have a smaller, less complex technology plan than a large entity.
- An entity with limited technology needs will probably have a smaller, simpler technology plan than an entity with more complex needs.
- Your current situation may affect the detail and the degree of complexity in your technology plan and your Form 470. For example, a school with no infrastructure in place could explore a variety of technological solutions, while a school planning a buildout of an existing infrastructure might have more limited options because any new equipment would have to be compatible with existing equipment.
- Technology Plan Approvers (TPAs) can set requirements of their own for the technology plans that they approve. For example, TPAs may add requirements to ensure that the technology plan complies with the requirements of other federal or state programs. The TPAs may ask for a level of detail beyond that required by the E-rate program.

You should also make sure your technology plan is not overly narrow but could cover more that one solution to your needs. That way service providers that might not otherwise bid on your services may be encouraged to offer cost-effective solutions you may not have considered.

What effect should my needs assessment have on my Form 470?

The needs assessment element of your technology plan should address more than just the number of computers or other hardware you intend to acquire in order to make use of discounted services. For example, an old building with limited electrical capacity may not be able to support your requests for services unless you first make substantial modifications to its electrical system. If this is the case, upgrading your infrastructure may precede your request for all of the services you have included in your technology plan and your Form 470 should take this into account.

It is important that you make an accurate and complete needs assessment and begin taking the appropriate steps to secure resources in a timely manner.

How specific should I be about the scope of my project?

When completing your Form 470, you should give service providers an accurate understanding of the scope of your project. For example, if your library system has nine branches and your plan is for all of them to receive Internal Connections in FY2011, make that fact clear in your Form 470.

That does not mean, however, that you have to be overly specific in the "Quantity or Capacity" field on the Form 470. For example, if your school district is comprised of three elementary schools and one junior/senior high school and the local student population has not changed much in the last several years, you can enter "For my entire school district" in this field. Service providers who are not familiar with your area could easily get a clear idea of the scope of your project. However, if your school district is either growing or shrinking rapidly, you should make that clear as well.

The Quantity or Capacity fields on the Form 470 could therefore be short or very detailed, depending on the information you want to convey to give potential bidders a clear idea of your project's scope.

What effects could minor or major changes to my technology plan have on my Form 470?

Some technology plans are revised or updated before they expire. Although technology plans are usually approved for three years, situations can change. For example, you may accomplish all of the goals and strategies included in your plan in the first two years of the plan. Alternatively, a reduction in funding may have prevented you from accomplishing your goals according to your original schedule.

- Minor revisions or updates are those that remain within the scope of the original version of the technology plan land any related Forms 470. USAC does not require such revisions

Back

USAC
Universal Service Administrative Company
Helping Keep Americans Connected

Schools and Libraries News Brief

February 4, 2011

FY2011 WINDOW COUNTDOWN	
Days to window close	48
Last day for a Form 470 to be POSTED and still timely file a Form 471 (see below for more information)	Feb. 24, 2011
Forms 470 filed to date	26,153
Forms 471 filed to date	2,979

TIP OF THE WEEK: The invoicing deadline for FY2009 non-recurring services was January 28, 2011. If you still have a BEAR Form 472 or SPI Form 474 to submit to USAC for FY2009 non-recurring services, you must request – and USAC must approve – an invoicing deadline extension before USAC can process your invoice.

Commitments for Funding Years 2010 and 2009

Funding Year 2010. USAC will release FY2010 Wave 37 Funding Commitment Decision Letters (FCDLs) February 8. This wave includes commitments for approved Priority 2 requests (Internal Connections and Basic Maintenance of Internal Connections) at 81% and above and denials at 79% and below. As of February 4, FY2010 commitments total over $2.17 billion.

Funding Year 2009. USAC will release FY2009 Wave 80 FCDLs February 9. This wave includes commitments for approved Priority 2 requests (Internal Connections and Basic Maintenance of Internal Connections) at 77% and above and denials at 76% and below. As of February 4, FY2009 commitments total over $2.79 billion.

On the day the FCDLs are mailed, you can check to see if you have a commitment by using USAC's Automated Search of Commitments tool.

Application Process: Form 470

Form 470, *Description of Services Requested and Certification Form* is the first program form applicants file to request discounts under the E-rate program. In last week's SL News Brief we discussed the relationship between the technology plan and the Form 470; this week we will discuss the form itself.

By posting a Form 470 on the USAC website, applicants are opening a competitive bidding process. Applicants describe the services they are requesting on the Form 470, and service providers can search Forms 470 or download summary reports of Forms 470 in order to review and respond to applicant requests.

You must file a Form 470 for FY2011 if you:

- Are seeking non-contracted tariffed or month-to-month services.
- Intend to sign a new contract.
- Signed a multi-year contract or a contract with voluntary extensions without first posting a Form 470 and following all of the competitive bidding rules of the program.

Your Form 470 **MUST:**

- Be based on your technology plan if you are required to have one.
- Be detailed enough for potential bidders to understand your requirements and any reasons for disqualification.
- Be posted for the correct categories of service (Telecommunications Services, Internet Access, Internal Connections, and Basic Maintenance of Internal Connections) for the services you are requesting.
- Indicate whether you have issued or will issue a Request for Proposals (RFP) and, if so, where it is or will be available to potential bidders (see below).
- Encompass all entities that will receive services – including non-instructional facilities (NIFs).
- Be **posted** on the USAC website for at least 28 days before you close your competitive bidding process; select a service provider; sign a contract (if appropriate); and sign, date, and submit your Form 471.
- Be **certified** before USAC completes the review of any funding requests based on that Form 470.

Your Form 470 **MUST NOT:**

- Be completed or signed by a service provider or feature a service provider as the contact person in Items 6 or 12.
- Be an encyclopedic list of services
- Identify specific vendors, manufacturers, or specific model numbers.

Issuing an RFP

You can prepare and issue an RFP in addition to your Form 470. RFPs are not specifically required under program rules but may be required by your state or local procurement rules or competitive bidding requirements. An RFP describes the project you want to undertake in sufficient detail to inform potential bidders of the scope, location, and any other requirements for the project. You must also clearly indicate any reasons that bidders could be disqualified (in the Form 470 and/or the RFP) and provide information on any other requirements imposed by state or local procurement rules and regulations.

If you issue an RFP, you must indicate that fact and the place the RFP is available (website address, contact person in Item 6 of the form, or technical contact person in Item 12 of the form) on your Form 470. The RFP must remain open for at least 28 days in order to meet the 28 -day competitive bidding requirement. This means that if you issue your RFP after you post your Form 470, you must start counting 28 days on the day the RFP was issued, not the date you posted your Form 470.

Whether you post your Form 470 first or issue your RFP first, they must both be available during the final 28 days of the competitive bidding process. For example, if you issued your RFP October 26, 2010 and your Form 470 November 2, 2010, they must BOTH have been available from November 2, 2010 through November 30, 2010 to meet the 28-day requirement.

28-day posting requirement